DE RUEHC #0282 3250017 ZNR UUUUU ZZH O 210011Z NOV 09 FM SECSTATE WASHDC TO RUEHAK/AMEMBASSY ANKARA IMMEDIATE 0000 RUEHKB/AMEMBASSY BAKU IMMEDIATE 0000 RUEHRL/AMEMBASSY BERLIN IMMEDIATE 0000 RUEHSW/AMEMBASSY BERN IMMEDIATE 0000 RUEHBM/AMEMBASSY BUCHAREST IMMEDIATE 0000 RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 0000 RUEHCP/AMEMBASSY COPENHAGEN IMMEDIATE 0000 RUEHBUL/AMEMBASSY KABUL IMMEDIATE 0000 RUEHKV/AMEMBASSY KYIV IMMEDIATE 0000 RUEHLO/AMEMBASSY LONDON IMMEDIATE 0000 RUEHMD/AMEMBASSY MADRID IMMEDIATE 0000 RUEHMN/AMEMBASSY MONTEVIDEO IMMEDIATE 0000 RUEHMO/AMEMBASSY MOSCOW IMMEDIATE 0000 RUEHOT/AMEMBASSY OTTAWA IMMEDIATE 0000 RUEHFR/AMEMBASSY PARIS IMMEDIATE 0000 RUEHUL/AMEMBASSY SEOUL IMMEDIATE 0000 RUEHTC/AMEMBASSY THE HAGUE IMMEDIATE 0000 RUEHKO/AMEMBASSY TOKYO IMMEDIATE 0000 RUEHUM/AMEMBASSY ULAANBAATAR IMMEDIATE 0000 RUEHWL/AMEMBASSY WELLINGTON IMMEDIATE 0000 INFO RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 0000 RUEHBR/AMEMBASSY BRASILIA IMMEDIATE 0000 RUEHBU/AMEMBASSY BUENOS AIRES IMMEDIATE 0000 RUEHEG/AMEMBASSY CAIRO IMMEDIATE 0000 RUEHCV/AMEMBASSY CARACAS IMMEDIATE 0000 RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 0000 RUEHKL/AMEMBASSY KUALA LUMPUR IMMEDIATE 0000 RUEHNR/AMEMBASSY NAIROBI IMMEDIATE 0000 RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 0000 RUEHOU/AMEMBASSY OUAGADOUGOU IMMEDIATE 0000 RUEHSA/AMEMBASSY PRETORIA IMMEDIATE 0000 RUEHYD/AMEMBASSY YAOUNDE IMMEDIATE 0000 RUEHUNV/USMISSION UNVIE VIENNA IMMEDIATE 0000

UNCLAS STATE 120282

SENSITIVE STPDIS

E.O. 12958: N/A

TAGS: AORC KNNP IAEA ENRG TRGY TU AJ CH GM SZ BR RO AR

EG, AS, VE, DA, CM, PK, AF, UP, MY, PE, UK, SP, UY, RS, KE, UV, CA, IN, FR, SF, KS, NL, JA, MG, NZ

SUBJECT: NUCLEAR FUEL BANKS - SEEKING CO-SPONSORS FOR RUSSIAN RESOLUTION ON THE ANGARSK RESERVE

REF: A. 09 STATE 117710 1B. 09 UNVIE 527

Sensitive but unclassified) please protect accordingly.

- 11. (U) This is an ACTION REQUEST: Please see para 4.
- 12. (SBU) SUMMARY: At the November 26-27, 2009 meeting of the International Atomic Energy Agency (IAEA) Board of Governors, the Board will be asked to formally approve the first proposal for an international nuclear fuel bank. Specifically, the Board will be asked to vote on a resolution from the Russian Federation that would authorize the IAEA Director General to enter into the necessary agreements to establish a nuclear fuel reserve in Angarsk, Russia. This guaranteed reserve of low-enriched uranium fuel would be used in cases of fuel supply disruption. By strengthening the international nuclear fuel market, it would remove an incentive for states to develop indigenous uranium enrichment capacity. The United States supports this initiative as a means of expanding access to nuclear power while addressing nonproliferation risks (ref A).
- 13. (SBU) The Government of Russia has now formally proposed a draft resolution that would lead to the establishment of

the Angarsk reserve (ref B). We support Russia's resolution and plan to co-sponsor it. This cable seeks co-sponsors of this resolution from Board members that Washington believes are likely to support the Angarsk reserve. END SUMMARY.

14. (SBU) ACTION REQUESTS:

- -- All action addressees with the exception of Moscow are requested to transmit to appropriate officials the text of the Russian resolution in para 6, on the Angarsk nuclear fuel reserve, which will be considered at the November 26 meeting of the IAEA Board of Governors. Posts are requested to encourage host governments to co-sponsor this resolution. Posts can draw from the talking points in para 5 to introduce this resolution.
- -- For Moscow only: Post is requested to inform appropriate government officials that the United States has transmitted the Angarsk resolution to action addressees and requested their co-sponsorship.
- 15. (SBU) BEGIN TALKING POINTS:
- -- Last week, we expressed our support for the Angarsk nuclear fuel reserve, which will be considered this week by the IAEA Board of Governors.
- -- The Government of Russia has now formally put forward a draft resolution that would authorize the IAEA Director General to enter into the necessary agreements to establish the Angarsk reserve.
- -- The United States plans to co-sponsor this draft resolution.
- $-\!\!\!\!-\!\!\!\!\!-$ We believe that, if co-sponsored by the majority of the Board Members, the draft resolution has a good chance of being adopted without a vote.
- -- We request that (host country) give serious consideration to this proposal and instruct its delegation to the November Board meeting to become a co-sponsor of the draft resolution.
- -- We would ask for your reply not later than the 24th of November, 2009.

END TALKING POINTS.

16. (SBU) BEGIN TEXT OF DRAFT RUSSIAN RESOLUTION:

On the Establishment by the Russian Federation of a Reserve of Low Enriched Uranium to the IAEA for Its Member States

The Board of Governors

- (a) Recalling the Report by the Director General GOV/INF/2007/11 "Possible New Framework for the Utilization of Nuclear Energy: Options for Assurance of Supply of Nuclear Fuel";
- (b) Recalling the document GOV/INF/2009/1 "Russian Federation Initiative to Establish a Reserve of Low Enriched Uranium (LEU) to the IAEA for Its Member States",
- (c) Recalling the Report by the Director General GOV/2009/31 "Assurance of Supple Russian Federation Initiative to Establish a Reserve of Low Enriched Uranium (LEU) to the IAEA for Its Member States";
- (d) Noting the provisions of the Article IX of the IAEA Statute allowing Member States to make available to the Agency nuclear materials for supply to other Member States;
- (e) Noting the discussions which have already taken place in the Board on a number of concepts of assurances of supply of nuclear fuel, and the importance of developing a range of options for such assurances.

Hereby

- (1) Welcomes the offer of the Russian Federation to establish on its territory a reserve of LEU to the IAEA for its Member States.
- (2) Authorizes the Director General to conclude and subsequently implement the Agreement with the Russian Federation to establish a reserve of LEU for supply to the IAEA for its Member States, attached as Attachment 1 to GOV/2009/76;
- (3) Approves the Model Agreement, attached as Attachment 2 to GOV/2009/76 as the standard text for agreements that are to be concluded with Member States for the supply of LEU by the IAEA from the reserve; and
- (4) Authorizes the Director General to conclude and subsequently implement future Agreements with Member States for the supply of LEU by the IAEA when the Director General considers that the request of the Member State fulfils the eligibility criteria included in the Agreement with the Russian Federation, without the requirement for case-by-case authorization by the Board and requests the Director General to keep the Board informed throughout the entire process.

END DRAFT RESOLUTION.

17. (U) Department thanks Posts for their assistance in this matter, and requests that any responses be transmitted by Tuesday, November 24. Department point of contact for working-level fuel assurance issues is Marc Humphrey (ISN/NESS); please include USMISSION UNVIE VIENNA as an info addressee on all responses. CLINTON